(b) States Parties may, if they consider it appropriate and within the limits specified in subparagraph (a) of this paragraph carry out the activities through State enterprises or juridical persons registered in these States and effectively controlled by them when sponsored by such States in accordance with the applicable provisions of the Basic Conditions set forth in Annex 1.

State Parties sponsoring such juridical persons shall be responsible for taking all appropriate measures to ensure that such persons comply with the provisions of this Part, Annex 1 and the rules, regulations and procedures adopted by the Authority under Article 28.

(c) All contracts entered into by the Authority pursuant to this paragraph for the activities in the Area shall ensure effective fiscal and administrative supervision by the Authority over such activities and shall be drawn in accordance with the Basic Conditions provided for in Annex 1.

3. (a) In the part or parts of the Area, established in paragraph 1 of this Article, where the activities may be conducted directly by the Authority such activities shall be carried out in accordance with applicable provisions of the Basic Conditions set forth in Annex 1.

(b) In the part or parts of the Area where the activities shall be conducted by the Authority, the Authority may, if it considers it appropriate, and within the limits it may determine, carry out activities in the Area or any stage thereof through States Parties to this Convention, or State enterprises, or persons natural or juridical which possess the nationality of such States or are effectively controlled by them or their nationals, or any group of the foregoing, by entering into service contracts, of joint ventures or any other such form of association which ensures its direct and effective control at all times over such activities.

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Article 22

1. Activities in the Area shall be conducted directly by the Authority through the Enterprise in accordance with Annex I and the rules, regulations and procedures adopted by the Authority under Article 28 (xii). For this purpose, the Enterprise shall enter into contract with the Authority.

2. Activities in the Area shall also be conducted directly by States Parties, or State enterprises, or persons natural or juridical which possess the nationality of States Parties, or are effectively controlled by them or their nationals, when sponsored by such States, or any group of the foregoing, in accordance with Annex I and the rules, regulations and procedures adopted by the Authority under Article 28 (xii), by means of entering into contracts with the Authority.